APPROVED FOR RELEASE DATE: JAN 2006 CENTRAL INTELLIGENCE AGENCY This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in INFORMATION REPORT any manner to an unauthorized person is prohibited by law. REPORT NO. COUNTRY Panama January 1955 DATE DISTR. Political Situation in Panama SUBJECT (b)(1)NO. OF PAGES (b)(3)(S) REQUIREMENT NO. 18 January 1955 DATE OF INFO. REFERENCES PLACE ACQUIRED THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE. THE APPRAISAL OF CONTENT IS TENTATIVE. (FOR KEY SEE REVERSE) SOURCE: Present Panamanian Government leaders feel sufficient proof against former President Jose Ramon GUIZADO is lacking, and they will continue to search for more evidence before allowing the GUIZADO trial by the National Assembly. President Ricardo ARIAS' regime has the support of important people, including Roberto HEURTEMATTE, Cecilia REMON, widow of the last President, and Colonels Bolivar VALLARINO and Saturnino FLORES of the Guardia Nacional (GN). It is not believed that the Ruben MIRO confession is a frame-up of GUIZADO, because ARIAS would have preferred to obtain a full term in the next election, which he cannot do now unless the constitution is changed. 2. President ARIAS and Colonel VALLARINO are good friends. Colonel FLORES will follow the wishes of Colonel VALLARINO. Comment. President ARIAS appeared calm and confident at a golf tournament on January 1955. Public attitude is one of wait and see. Daily activities in Panama continue normal.

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